

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	: Chapter 11 Case No.
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i> ,	: 08-13555 (JMP)
Debtors.	: (Jointly Administered)
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**ORDER PURSUANT TO SECTION 365
OF THE BANKRUPTCY CODE GRANTING
THE DEBTORS' SECOND MOTION FOR AN
ORDER APPROVING THE ASSUMPTION OR
REJECTION OF OPEN TRADE CONFIRMATIONS**

Upon the motion, dated December 15, 2008 (the "Motion"), of Lehman Brothers Holdings Inc. ("LBHI") and its affiliated debtor, Lehman Commercial Paper Inc. ("LCPI"), as debtors and debtors in possession (together, the "Debtors"), pursuant to section 365(a) of title 11 of the United States Code (the "Bankruptcy Code"), Rule 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 6006-1 of the Local Bankruptcy Rules for the Southern District of New York (the "Local Rules") for entry of an order approving the Debtors' assumption of the Second Group of Trades,¹ all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984

¹ Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Motion.

(Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Motion having been provided in accordance with the procedures set forth in the order entered September 22, 2008 governing case management and administrative procedures [Docket No. 285] to (i) the United States Trustee for the Southern District of New York; (ii) the attorneys for the Official Committee of Unsecured Creditors; (iii) the Securities and Exchange Commission; (iv) the Internal Revenue Service; (v) the United States Attorney for the Southern District of New York; (vi) all parties who have requested notice in these chapter 11 cases; and (vii) all Counterparties; and it appearing that no other or further notice need be provided; and an Order Pursuant to Section 365 of the Bankruptcy Code Approving the Assumption or Rejection of the Second Group of Open Trade Confirmations having been entered by the Court on January 16, 2009, granting the relief requested therein as to certain Counterparties and adjourning the hearing with respect to certain objecting Counterparties; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that subject to the terms set forth in that certain letter agreement between LCPI and each of the Settling Counterparties (as defined hereinafter) and herein, the Motion is granted with respect to the following Counterparties, all of which have agreed to settle their objections with the Debtors:

The Hartford Floating Rate Fund
The Hartford High Yield Fund
Hartford High Yield HLS Fund

(collectively, the “Settling Counterparties”); and it is further

ORDERED that the terms of the letter agreement between LCPI and the Settling Counterparties relating to the Open Trade Confirmations are hereby approved and binding on the parties thereto; and it is further

ORDERED, pursuant to section 365(a) of the Bankruptcy Code, that the Debtors are authorized to enter into agreements to modify the Amended Trades set forth on Exhibit A annexed hereto and that assumption of the Amended Trades as modified is hereby approved; and it is further

ORDERED that the hearing with respect to the Motion is hereby adjourned to February 25, 2009, at 10:00 a.m. with respect to the objection of GE Corporate Financial Services, Inc., as Loan Servicer for Fusion Funding Limited and Fusion Funding Luxembourg, S.A.R.L.; and it is further

ORDERED that the Debtors are not required to pay any cure costs to any Counterparty to an Amended Trade; and it is further

ORDERED that the Debtors have demonstrated adequate assurance of future performance of the Amended Trades; and it is further

ORDERED that settlement of all Amended Trades shall include all appropriate, usual and customary settlement adjustments; and it is further

ORDERED that the Debtors are authorized to execute and deliver all instruments and documents, and take such other actions as may be necessary or

appropriate to implement and effectuate the modification and assumption of Open Trade Confirmations with respect to the Amended Trades as provided in this Order; and it is further

ORDERED that notice of the Motion as provided therein shall be deemed good and sufficient notice of such Motion and that the requirements of Bankruptcy Rule 6006(a) and Local Rule 6006-1 are satisfied; and it is further

ORDERED that this Court retains jurisdiction to hear and determine all matters arising from or related to the implementation and/or interpretation of this Order.

Dated: February 11, 2009
New York, New York

/s/ James M. Peck
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

AMENDED TRADES

LCPI & LCPI UK
Assumed with Modification

Entity	Deal Name	Customer Name	Tranche	B/S	Trade Date	Curr Code	Status
LCPI	LYONDELLBASELL INDUSTRIES, CITI-12/20/07	Hartford Floating Rate Fund		S	8/26/2008	USD	Assumed with Modification
LCPI	LYONDELLBASELL INDUSTRIES, CITI-12/20/07	Hartford High Yield Fund		S	8/26/2008	USD	Assumed with Modification
LCPI	LYONDELLBASELL INDUSTRIES, CITI-12/20/07	Hartford High Yield HLS Fund		S	8/26/2008	USD	Assumed with Modification